March 8, 2017

The Honorable Mitch McConnell Majority Leader U.S. Senate Washington, DC 20510

The Honorable Chuck Schumer Minority Leader U.S. Senate Washington, DC 20510

The Honorable Paul Ryan Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Nancy Pelosi Minority Leader U.S. House of Representatives Washington, DC 20515

Dear Majority Leader McConnell, Leader Schumer, Speaker Ryan and Leader Pelosi:

We write to express our strong opposition to the FCC's recently-enacted Broadband Privacy Order and to support efforts to revisit those rules in Congress and at the FCC.

Consumers deserve clear, concrete, enforceable privacy protections online, but the rules passed by the FCC fail to meet basic accountability standards. Creating a patchwork of inconsistent privacy rules for different internet companies only confuses consumers, making it more difficult for people to understand how their data is collected and used online. By distorting the market for data and advertising online with inconsistent rules for different internet companies, these actions will limit choice and thwart competition, hurting small businesses by driving ad prices up.

For the millions of small and minority-owned businesses we represent, this approach is not sustainable. Businesses can't survive and grow without the ability to reach potential customers, especially in this rapidly-evolving digital world. The growth of online advertising creates new opportunities and channels to affordably connect with customers, giving small businesses much needed avenues for expansion.

Unfortunately, trends are going in the wrong direction. Instead of a more competitive and vibrant online advertising marketplace, the market is rapidly deteriorating into a stale duopoly. In fact, according to data from the Interactive Advertising Bureau, 99% of all incremental ad spending in the third quarter of 2016 went to the internet giants.

For small businesses, this extreme concentration of the advertising marketplace is disconcerting. In a non-competitive market dominated by some of the wealthiest publicly traded companies with little history or working on the concerns of diverse communities – small businesses have no choice but to accept whatever terms and prices are imposed upon them.

This market is desperate for more competition, yet the FCC's Privacy Order offers us less. Instead of creating uniform, consistent rules that will allow all companies in the online ecosystem to compete on a level playing field, the FCC's action imposes greater restrictions on potential new entrants while fully exempting the behemoths currently dominating the market. That makes no sense, and by enhancing the already powerful digital ad monopolies, the burden will only increase for businesses seeking to reach their customers.

As a means to advance consumer privacy, the rules are deeply flawed. But as a means to entrench the online advertising duopoly and choke off any possibility of meaningful competition, they may be far more successful. This is antithetical to the public interest.

Thank you for taking action in Congress to revisit these flawed regulations, and for supporting the reconsideration process underway within the FCC.

Respectfully Submitted,

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Javier Palomarez, President and CEO, United States Hispanic Chamber of Commerce (USHCC)

Ron Busby, President and CEO, U.S. Black Chambers, Inc.

Justin Nelson, President and Co-Founder, National Gay & Lesbian Chamber of Commerce

Chiling Tong, President and CEO, Asian & Pacific Islander American Chamber of Commerce & Entrepreneurship (National ACE)